

Authorized Principals Letter

INFORMATION TO GATHER FROM PRINCIPALS  
IN ORGANIZATIONS APPLYING OR RE-APPLYING  
TO PARTICIPATE IN CACFP

During the past seven years, if you were employed as a supervisor or manager by any public or private organization that participated in a publicly-funded program (any program funded wholly or in part by Federal, State, or local dollars), or if you were a member of a governing board or similar body of any public or private organization that participated in a publicly-funded program, please list the name of the organization, the name of the publicly-funded program, your job title, and the years of your association with this organization/program:

Name of organization	Name of program	Job title	Years employed

FOR EACH OF THE FOLLOWING QUESTIONS. CIRCLE ONE ANSWER:

- I have/have not been a principal in an organization participating in a publicly-funded program that has been ruled ineligible as a result of violating that program's requirements during the past 7 years.
- I have/have not been convicted of a business-related offense during the past 7 years.
- I am/am not on the Child and Adult Care Food Program's National Disqualified List.
- I was placed on the CACFP National Disqualified List on \_\_\_\_\_.

PLEASE ANSWER THE FOLLOWING QUESTIONS if you hold any of the following positions in an organization participating, or applying to participate, in the CACFP:

- The chairman of the board of a nonprofit institution; or
- The chairman of the governing board of a public or quasi-public entity; or
- The owner of a proprietary business; or
- The manager or president of a corporation or a Limited Liability Corporation; or
- The executive director, or comparable director of operations, of the CACFP in a private nonprofit, proprietary, or public institution applying to participate in CACFP:

My date of birth is:

My business mailing address is:

My full name is:

Legal signature: \_\_\_\_\_

*NOTE: Any organization or individual that provides false information on this form will be subject to applicable civil or criminal penalties.*

## **Authorized Principals Letter**

For Owners, managers, and supervisors in  
organizations participating in the Child and Adult Care Food Program (CACFP)

*NOTE TO SPONSORS: This form facilitates the collection of information about the past performance and criminal records of all principals within your organization, to facilitate your completion of the required certifications on your Program application.*

In recent years, the CACFP experienced problems with financial accountability and Program integrity that received National media coverage and generated congressional calls for Program changes. As a result, Congress passed Public Law 106-224, the Agricultural Risk Protection Act (ARPA), which mandated a number of changes to Program eligibility for organizations like ours. The pertinent changes included:

- A requirement that no organization could participate in CACFP if, during a period of time specified by the United States Department of Agriculture (USDA, which administers CACFP at the Federal level), the organization had been ruled ineligible to participate in another publicly-funded (i.e., Federally, State, or locally-funded) program due to its violation of program requirements.
- A requirement that USDA establish rules relating to the ineligibility of organizations that engage in unlawful practices or have a criminal background; and
- A requirement that USDA establish a National list of organizations and individuals disqualified from CACFP as a result of Program violations during a period of time defined by the Department.

On June 27, 2002, USDA published a rule that implements these changes. Then, USDA and State administering agencies conducted training on these requirements for State and local operators of CACFP. In order to implement the above requirements, USDA established a number of new regulatory requirements:

- As part of their application and re-application to participate, sponsors must provide certifications concerning the past performance and criminal convictions of their organization and its “principals”. USDA has included “principals” in this requirement because it believes that an organization’s performance and accountability is best assessed with reference to the people who manage and oversee the organization. The regulations define “principals” as all managers and supervisors in the sponsorship, as well as any members of the sponsor’s governing board of directors, or similar body.
- Certifications must attest to the performance of the organization and its principals during the preceding seven (7) years.
- Certifications must elicit information about business-related criminal convictions. Please note that criminal convictions do not include civil judgments or indictments that did not result in convictions. The regulations provide a list of such business-related offenses that includes fraud, forgery, theft, making false statements, claims falsification, destruction of records, bribery, embezzlement, receiving stolen property, obstruction of justice, and antitrust violations.
- As part of its Program application or re-application, each sponsor must provide 2 principals’ identifying information concerning of the sponsor’s owner, and its executive director, or record keeper. On advice of its attorneys, the Department elected to use date of birth as the identifying information for these individuals. This will enable Federal and State officials reviewing the National Disqualified List to differentiate between individuals with similar or identical names on the basis of their dates of birth.

As a result of these new requirements, the organization will need to establish a method of collecting relevant information from all of our principals, in order to fill out the required certifications during our next re-application. The organization has adopted this form as our method of collecting the information that it will be necessary to include on our next re-application. Because our re-application will not be considered complete and approvable without this information, I urge you, as one of the organization principals, to fill out and return the form to ADE with the renewal packet.

Thank you for your prompt cooperation.

## *A Summary of Institution Eligibility Requirements in ARPA*

<b>New ARPA Eligibility requirement</b>	<b>Does it apply to Independent Centers?</b>	<b>Does it apply to Sponsors?</b>
<b>Tax-exempt status</b>	<b>Only if private nonprofit</b>	<b>Only if private nonprofit</b>
<b>Bonding</b>	<b>No</b>	<b>Only if new</b>
<b>Outside employment</b>	<b>No</b>	<b>All sponsors</b>
<b>Unserved participants</b>	<b>No</b>	<b>Only if new</b>
<b>Past ineligibility, publicly funded programs</b>	<b>Yes</b>	<b>Yes</b>
<b>Criminal convictions</b>	<b>Yes</b>	<b>Yes</b>
<b>National Disqualified List</b>	<b>Yes</b>	<b>Yes</b>
<b>VCA</b>	<b>Yes</b>	<b>Yes</b>
<b>Monitor staffing Standards</b>	<b>No</b>	<b>Yes</b>
<b>15% cap on admin expenses</b>	<b>No</b>	<b>Yes</b>